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TAGS: [ECON](#) [EINV](#) [EAID](#) [PK](#) [AF](#) [PGOV](#)  
SUBJECT: PRIME MINISTER AZIZ DISCUSSES CHALLENGES ON THE  
AFGHAN BORDER AND REVIEWS ASSISTANCE REQUEST

REF: ISLAMABAD 8541

Classified By: Ambassador Ryan C Crocker; Reason 1.4 (g)

¶1. (C) Assistance Request. In the course of a June 12 discussion (other subjects reported separately), Prime Minister Aziz noted that the government is moving ahead with a comprehensive strategy to bring stability to the tribal areas and recalled his request for US funding to support an \$200-350 million expansion of the Frontier Corps as well as \$150 million for economic and social development, as had been briefed to the President (reftel). This would need to be over and above the Camp David commitment.

¶2. (C) Challenges on Afghan Border. Aziz noted that the requests had special urgency because of the accelerating destabilization on both sides of the Durand line; he stated the issues threatening Afghanistan were much deeper than previously predicted and that growing domestic dissent threatened both Pakistan and the US. Aziz said the Government of Afghanistan still blamed Pakistan for its problems, which was making the President Musharraf and President Karzai relationship even more contentious. The reality is that both governments are facing the same threat. Both hoped the Shanghai Cooperation Organization (SCO) Summit would provide an opportunity for the two Presidents to improve their relationship.

¶3. (C) Balochistan and FATA. Ambassador urged Aziz to address the increasing Taliban influence in Balochistan and FATA. Ambassador stated that the previous week in Kabul, he raised this issue with President Karzai, who indicated he was prepared to accept the refugees and supported the closing of camps such as Girdi Jungle and Pir Alizai in Balochistan. Aziz commented Karzai had not previously displayed such a cooperative approach to the refugee question, and noted that the GOP was gradually returning refugees.

¶4. (C) Aziz said the GOP had evidence that "a proxy force" (i.e. India) was putting significant amounts of money into Balochistan and FATA to keep the Pakistan Army engaged in the area. He noted the involvement of the Indian consulates on the Pakistani borders with Afghanistan (Jalalabad, Kandahar) and Iran (Zahedan), and stated that Indians often convened in and channeled money through Dubai.

CROCKER